



Air Quality Fees

October 1, 2018

Air Advisory Committee

Tom Shanley

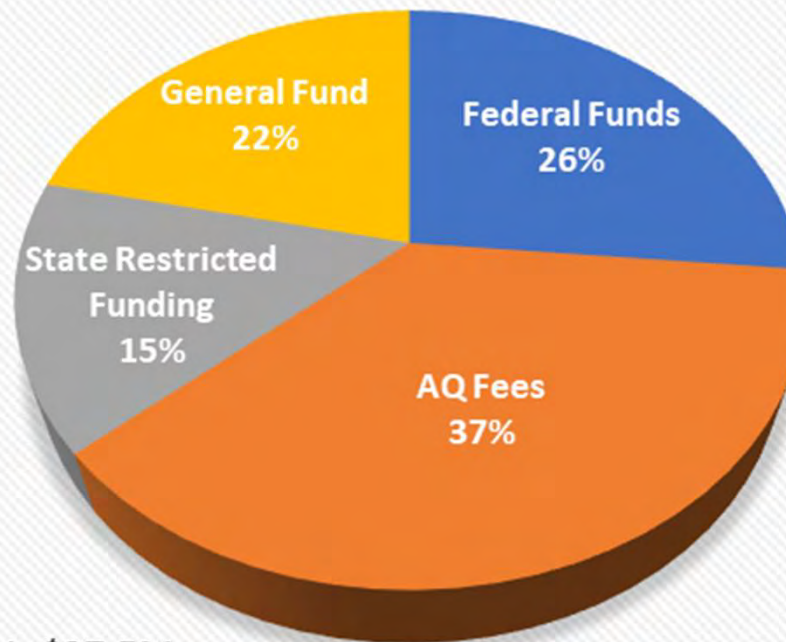
Air Quality Division

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AQD Funding Sources

2019 AQD Appropriations



AQD FY19 Budget: \$27.5M



Title V of 1990 Amendments to the Clean Air Act

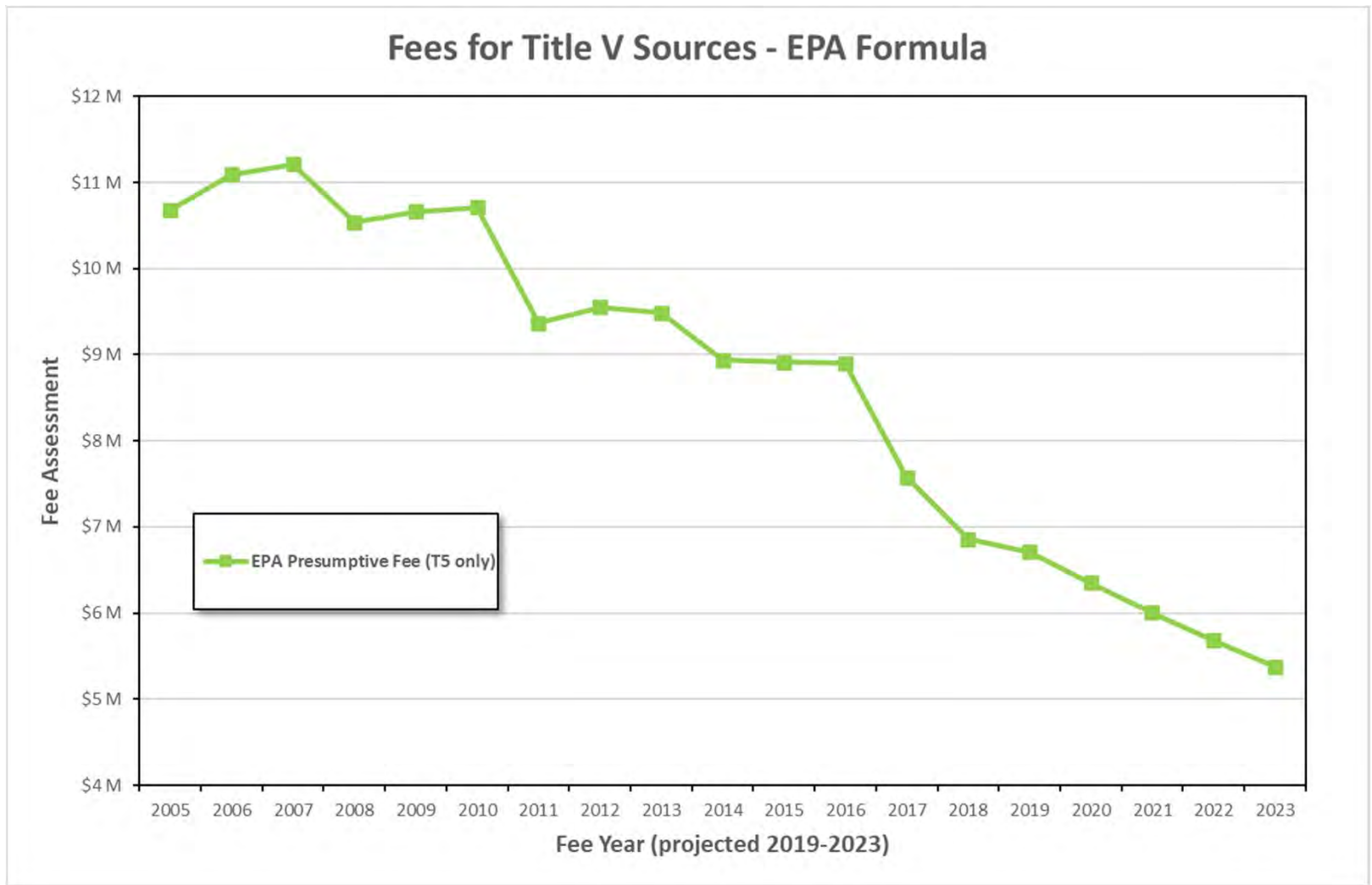
- Established an Operating Permit Program
- Ensures Facilities Meet Applicable Federal & State Requirements
 - On-Site Inspections
 - Emission Monitoring & Reporting
 - Stack Testing
 - Renewable Operating Permits
 - Compliance Assistance
 - Address Citizen Complaints
- Requires Fee Program to Fund Program



Clean Air Act's Fee Formula

- In 1990, Fee Rate at \$25/Ton of Emissions, Capped at 4,000 Tons Per Pollutant
- Fee Rate Increases Yearly by Consumers Price Index
- For FY 18, Fee Rate is \$49.85/Ton of Emissions
- EPA Presumes the Amount Collected by this Fee Formula is Sufficient to Fund an Acceptable Title V Program (aka Presumptive Minimum)
- For Michigan, the FY18 Presumptive Minimum Equaled \$7,137,673

EPA Presumptive Minimum

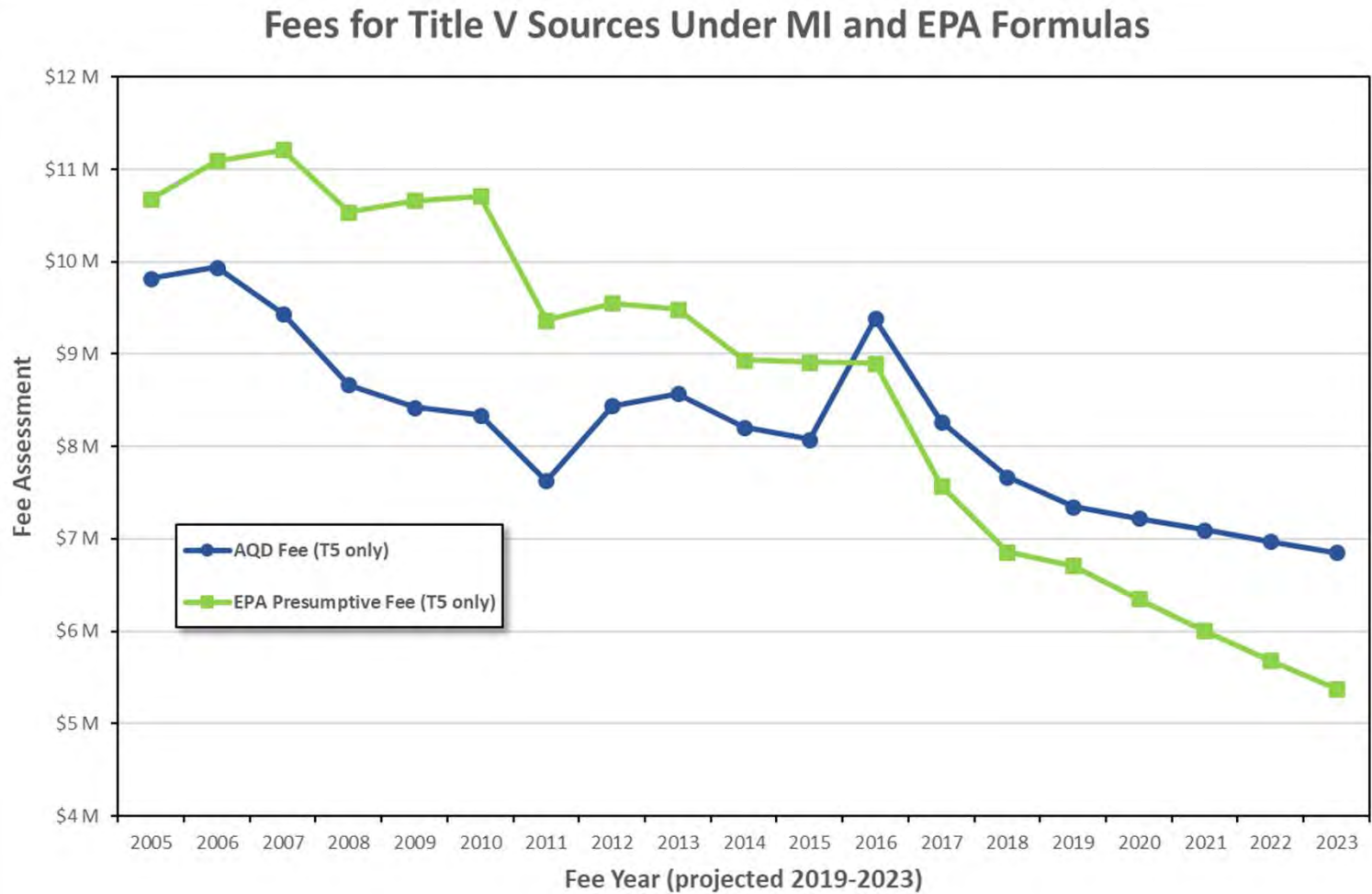


Michigan's Current AQ Fee Formula

- Authorized by Sections 5521 & 5522 of Act 451
- Covers Both Title V Sources & Other Sources
- Includes a Facility Fee & Emissions Fee
- Sets Michigan Fee Rate and Emission Caps
- Formula Established by Legislature
- Last Changed on October 1, 2015
- Current Formula **Sunsets September 30, 2019**
- In FY18:
 - Title V Fees were \$7,668,933
 - Total AQ Fees were \$8,914,761

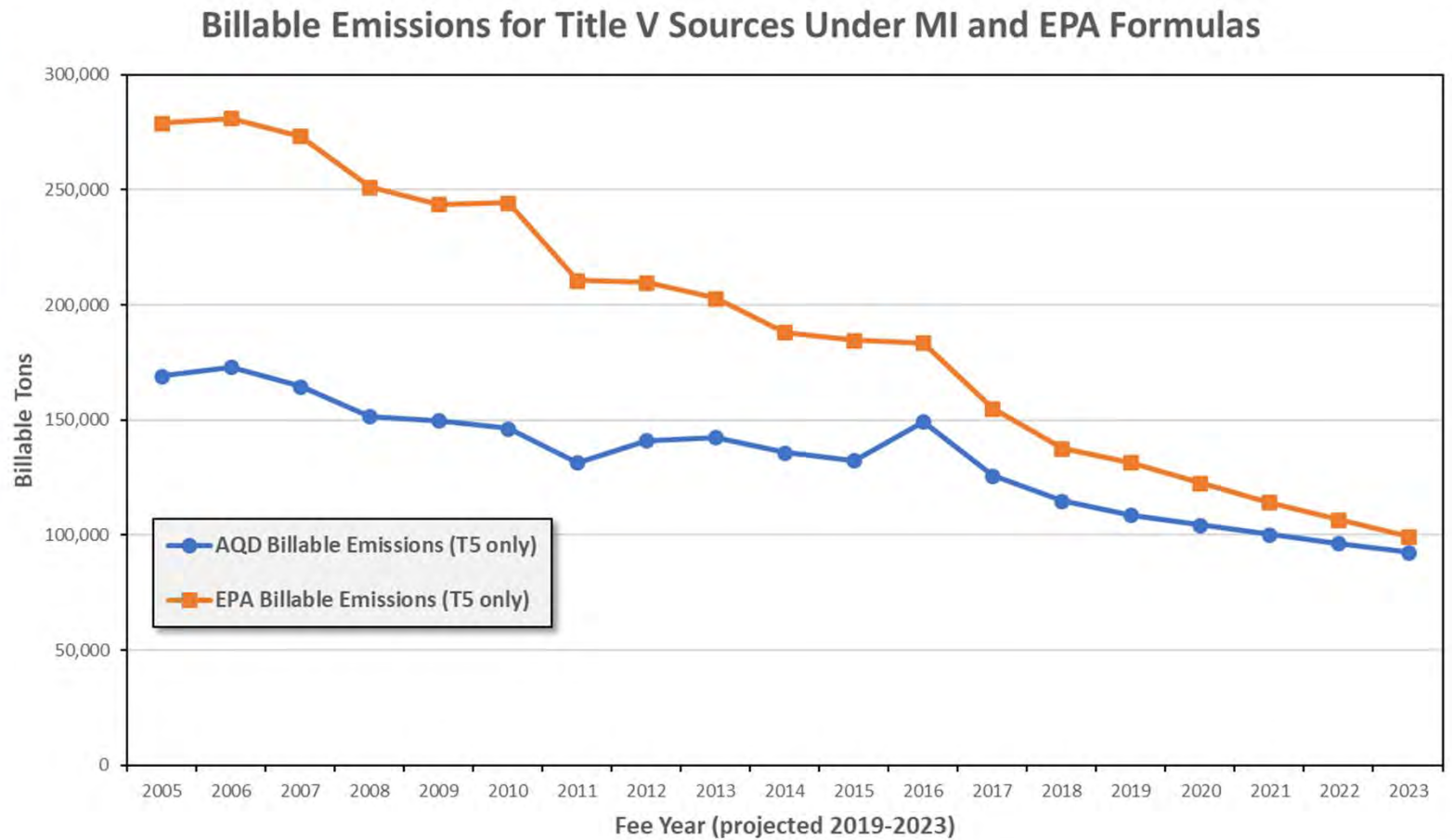
Air Fees

Michigan vs EPA FPM



Air Fees

Michigan vs EPA FPM





AQ Fee Reauthorization Timeline

- **Oct. 2018** - Initial stakeholder meeting
- **Jan. 2019 thru Spring 2019** – Regular stakeholder meetings
- **June 1, 2019** - Final proposal agreement
- **By Early Fall 2019** - Enacted legislation



QUESTIONS?

